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THE LAMB MARKET SITUATION

A radio talk by C. L. Harland, Bureau of Home Economics, delivered through WRC and 45 other associate NBC radio stations, in the National Farm and Home Hour, Wednesday, January 13, 1932.

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As all lamb raisers and lamb feeders know to their sorrow the lamb market has been very weak for months past, with prices tending downward to lower and lower levels. This weakness continued through most of December and in the third week of that month prices reached the lowest level of the year and for many years. At this low level the top price on choice fed western lambs at Chicago was \$5.25 per hundred with the bulk of the good and choice lambs selling from \$4.50 to \$5.00. At Omaha the top price went below \$5.00.

This low point was probably the lowest at which fed lambs have sold for at any time during the present century and the monthly average price of slaughter lambs in December was the lowest for any month since 1903. From this low point there was a rather sharp recovery and by the end of the first week in the New year the top price of lambs at Chicago was almost back to \$7.00. But prices have since declined until now the top on lambs is about \$6.25.

These low prices have brought no profit to the many feeders whose lambs were marketed during December. And this year not a few western lamb growers, who have been having their own lambs fed out on contract by Corn Belt and other feeders, are realizing along with the feeders who bought their lambs outright, that in times like these low priced feeding stock does not insure profitable feeding returns.

As was the case in every other month, in 1931, except one, the inspected slaughter of sheep and lambs in December established a new record for that month. It was 11 per cent larger than in December 1930 and 30 per cent larger than the 5-year December average. The new yearly record for slaughter set in 1931, amounting to 18,071,000 head, was 8 per cent or 1,374,000 head larger than in 1930. The increase over last year was all in lambs, including yearlings, since sheep slaughter was actually smaller than the small slaughter in 1930.

So much for the market developments to date. What are the prospects for supplies during the next few months? At noon today the Department of Agriculture released its estimate of the number of lambs and sheep on feed for market on January 1. This report gives an estimated number of about 6,200,000 head on feed this year, an increase of about 750,000 head or 14 per cent over the number on January 1, 1931. This is a new record for numbers on feed.

There were increases in the totals on feed in both the Corn Belt states and in the Western states. In the Corn Belt there were increases in all states, except Missouri, with the largest increases in Ohio, Michigan, Iowa, Nebraska and Kansas. In the Western states, including North Dakota and Texas, while there was an increase in the total, the changes from last year were quite varied among states ranging from large increases in some states, North Dakota, Texas and New Mexico to a sharp decrease in Utah. In Colorado, the largest feeding state in the Union, the estimated number on feed January 1 this year,

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1,560,000 head, is a little larger than a year ago, but was nearly half a million head below the record number of January 1, 1930.

The early part of the current feeding season was quite favorable for cheap grains over much of the Corn Belt. During the latter part of November and December excessive rains over much of the area, with continued absence of season cold weather resulted in muddy corn fields and feed lots and soft roads have made the movement of finished stock to market difficult. As all experienced lamb feeders know, and as many new feeders are learning, getting satisfactory gains on lambs under such conditions is not easy.